

Buying car insurance is mandatory if you have a car. Renewing it is again important if you wish to keep your car insured. While a lot of debate and thinking goes into choosing a car insurance policy, choosing the right insurer is also important. This is because your choice of car insurer will have an indelible impact on the quality of services provided when you may claim the insurance that you had paid for.

While choosing a car insurance company, it is important to look into the following essential factors. These include:

Premium rates: Not all insurance companies charge the same amount of premiums for similar services. Most people prefer buying from insurers that promise extensive coverage at nominal premium charges. However, factoring in premium rates alone while choosing your car insurer may result in an inadequate coverage amount. Rakesh Jain, ED & CEO, Reliance General Insurance, says, "Premium rates are a function of nature of coverages and its adequacy. It also needs to mirror customers' risk appetite or compliances prescribed. Hence before buying a motor policy, customer needs to check effective/efficient premium rates."

Essential riders: Any car insurance cover is incomplete without the inclusion of certain essential car insurance riders in the plan. Subramanyam Brahmajosyula, head-underwriting and reinsurance, SBI General Insurance, says, "Standard cover available under motor policies may not give you protection against all contingencies in the event of a loss or damage to your vehicle. To enjoy comprehensive protection, you should consider the following essential add-ons which are available at a nominal cost. These include:

Zero depreciation cover: This cover ensures that the cost of depreciated parts is reimbursed to you in full.

Engine protect cover: Provides reimbursement for the cost of repair or replacement of engine.

Return to invoice: In the event of total damage to your car, you will be paid the original on-road price of the car instead of the depreciated value.

Claim settlement ratio: You must opt for an insurer with a high level of claim settlement ratio to ensure timely compensation for the loss your car may have suffered during an accident. After all, your insurer had charged you a pre-



Look for cashless garage clause in car insurance

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DRIVING TO SAFETY

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mium in return for the payment of the compensation amount when it is due.

Deductibles charged: This is the amount that you must pay towards your car's repairs before your insurance company steps in to assess the damage and pay for the cover amount claimed. Shreeraj Deshpande, principal officer, Future Generali India Insurance, says, "Yes, on motor own damage section there will be deductible which will be applicable on every claim. This is as per the Motor Tariff which is followed by all general insurance companies. There are two types of deductibles.

Voluntary deductible: Insured may opt for higher deductible over and above the compulsory deductible in which case discount will be allowed.

Reputation matters: There is a trust factor involved in insurance that works both ways. It is important to opt for a country that enjoys trust and reputation among its customers. Shanai Ghosh, CEO designate, Edelweiss General Insur-

ance, says, "Reputation is related to the purchase and after-sales service experience you receive from the company. We believe that reputation is built on customer experiences. Hence, our focus has been to create seamless, long-lasting relationships with each of our customers."

Cashless garage network: An important aspect of any car insurance company must be the breadth of its cashless garage network. Getting your car repaired at a garage within the insurer's network ensures the scope of a cashless claim. This explains why you must choose an insurance company with the largest cashless garage network, thus, enabling you to seek the bene-

fits of timely car repairs.

Online presence: A digital presence is imperative to any insurance company's survival and reputation. You can easily file your claims online or opt for renewal if your insurance company has a fully functional website. Having a mobile app also helps those looking to renew their insurance plans instantly. Sourabh Chatterjee, head - IT, web sales & travel, Bajaj Allianz General Insurance, says, "A strong online presence is critical for any insurance company. This is no longer limited to service and renewals, but also a large extent to researching and buying products. A large chunk of customers who buys policies offline as well tends to begin

their research journey online. As far as service is concerned, the use of Chatbots has facilitated quicker service to customers, rather than visiting a branch or for that matter even calling up an insurer. Mobile apps in insurance are picking up as well, and as long as they add value to a customer they will only grow in popularity with customers."

Customer service quality: The insurance buying process is fraught with queries and doubts. Similar is the case when it comes to making claims. To ensure seamless purchase and easy claim settlement, it is important for the company to have an efficient customer care centre in place. Subrata Mondal, executive vice president, IFFCO Tokio General Insurance, says, "Efficient customer services is a sine qua non in an industry where trust takes precedence over everything. The crucial parameters to be considered are the insurer's claim settlement ratio and their network to provide support services in times of distress."